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29 AUG 1973

MEMORANDUM FOR: Secretary, CIA Management Committee

SUBJECT   :   CIA Management System: Performance
                     Evaluation and Annual Report

1.   Pursuant to the request contained in your memorandum,
Subject as above, dated 26 May 1973, we are forwarding
herewith the FY 1973 Annual Report of the Office of Security.

2.   Please advise if any additional data are desired.

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Acting Director of Security
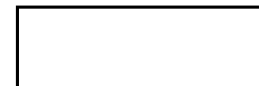
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OFFICE OF SECURITY ANNUAL REPORT

SECTION I. GENERAL

During FY 1973 the Personnel Security Division had the responsibility within the Office of Security to process security clearances of individuals for overt and semi-covert utilization by the Agency and to assist these employees in a broad spectrum of security areas by providing guidance as required or requested. The Personnel Security Division receives its requests for security clearance action from other components; e.g., the Office of Personnel, the Office of Logistics, and the Deputy Directorate for Science and Technology.

Toward the end of FY 1973, i.e., mid May to the 30th of June 1973, the Personnel Security Division was heavily committed to the accomplishment of a large volume of termination security processings brought about by the Agency's major reduction in force and a large number of voluntary retirements. Over 700 of these interviews were conducted over the period 11 June to 30 June 1973. A Task Force team of ten professional personnel were assigned to these debriefing duties from their regular assignment in the Personnel Security Division appraisal function. In addition, 211 EOD'd summer employees were afforded personal interviews regarding their security responsibilities, policy on drug abuse, and other Code of Conduct matters. During the latter portion of FY 1973, planning was directed to the orderly implementation of a major reorganization within the Office of Security.

The Interrogation Research Division was assigned the mission of obtaining information through the security interview and polygraph examination technique for use by those officials charged with making security and suitability decisions on candidates for employment in or use by the Agency.

The overall mission of the Division during FY 1973 remained as a service support activity responding to requests from other Agency components both domestically and world-wide. It is a continuing effort on the part of the Division to strive for improvement in the interrogation techniques and polygraph chart interpretation and to maintain our foreign language capabilities.

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The Security Records Division (SRD) is a service
activity. It provides current and long-range support to
the Office of Security through the development, management,
utilization, and protection of security records. It operates
several Automatic Data Processing Systems in coordination
with other components in the Office of Security and the Agency.
Complete and current records and indices of security infor-
mation on personnel and organizations of interest to the Agency
are maintained. Liaison is provided with other U.S. Government
agencies for the release of personnel security information.
All Top Secret and Restricted Data material within the Office
of Security is controlled by SRD. It maintains a central
data base covering leaks of intelligence information to public
information media. It operates a secure teletype communi-
cations system between the Office of Security Headquarters
and the [   ]. The SRD maintains a master
index for the Intelligence Community of persons in the U.S.
Government and private industry approved for access to sensitive
and compartmented intelligence. This index is automated and
updated daily for the use of the Intelligence Community.

Although operating under a T/O of [   ] staff   25X1
positions, a chronic vacancy situation averaging 5.4 positions
persisted throughout the year. Recruitment to fill these
vacancies must be a factor beyond the control of the Agency
or the vacancy problem would not have persisted throughout
FY 1973. Similarly, while a microfiche camera and equipment
were received on 6 November 1972 with the first filming of
security files by SRD personnel taking place on 14 November,
the program has been hampered by a lack of personnel. One
professional was assigned to the microfiche project from
within the Office of Security but outside of SRD on 31 July 1972
on an over-strength basis and two clerical employees were
detailed from within SRD to assist him. While the SRD Personnel
Allocation in FY 1974 is to be reduced to eighty-five positions,
a pending reorganization of the Office of Security will result
in an increase to ninety-four positions. Six of the new
positions will be assigned to the microfiche project which
will be carried out by a new Microfiche and Retirement Branch
composed of twelve positions.

Two factors are impacting on the SRD objective to
replace existing manual controls and reporting activities
associated with case processing procedures in the Office of
Security with a fully operational automated CAPER-OS System

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within the Manpower Control System. The implementation of
Stage I of CAPER-OS had to be moved back from 18 June 1973
to 7 September 1973 by the SIPS Task Force due to technical
problems. A pending reorganization of the Office of Security
by which disparate functions are to be consolidated will
necessitate modifications in the CAPER-OS programming. This
will further delay the implementation of Stage I of CAPER-OS.

The mission of the Overseas Security Support Division
(OSSD) is to establish and implement a security program to
ensure maximum security for Agency facilities and assets at
all overseas installations. Excepted from this mission is
responsibility for audiocountermeasures which is in the
exclusive purview of the Technical Division.

The mission is accomplished primarily through the tech-
nique of comprehensive security surveys. Each overseas
installation is visited in accordance with a predetermined
schedule concomitant with general requirements established by
the DDO and with due consideration for USIB directives
applicable to the intelligence community as a whole.

During the report period, two significant events caused
some adjustment in priorities and approach to fulfilling the
mission. The first event involved the transfer of all security
equipment specialists from the Division to the Physical
Security Division. This resulted in the requirement for OSSD
to continue with cognizance over all equipment service
requests by levying requirements on the Physical Security
Division which controlled the manpower assets. The second
event which impacted upon the Division was the advent of the
increased threat of terrorist groups and their activities
particularly in the Middle East.

The transfer of security equipment specialists as a
group, coupled with the normal annual manpower turnover,
resulted in the departure of ten officer personnel from the
Division and the arrival of four new officers. This change
of personnel did not significantly affect the accomplishment
of the Division's objectives, but its impact will be more
significant during the early stages of FY 1974. The new inex-
perienced officers will require training during which time
they will be relatively unproductive. The time consumed by
OSSD officers performing the training will further impact upon
productivity goals.

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The Office of Security has had a discrete program activity in the computer security field since 1967. Since that time with the growth of computer applications and usage in the Agency and in the Intelligence Community, this program has steadily grown. The requirements for security support and guidance in the information handling area are continuing to increase; this trend is not expected to change through FY 1976, and there are no current indications that requirements will taper off even at that time. During FY 1973 the information handling security program is considered to have "come of age" in that its activities and accomplishments changed from a missionary effort to an accepted dimension of overall security operations.

The growth in security requirements in the information handling area has been not only in quantitative terms with the increase of computer applications and computer capacity, but has also continued to become more complex. During FY 1973 the complexity of these requirements was highlighted by (a) initial planning for the OJCS Mass Storage System, (b) a greater impetus to the networking of computer systems both in the Agency and the Community, and (c) the development of substantial evidence of vulnerability in computer operating systems. The latter two are paradoxical insofar as simultaneously computer system requirements are becoming multi-dimensional with the growth of networks and the threat of intrusion is becoming more evident. This paradox supports the need for increasing attention in the computer security area. In the current period of decrementation and limited resources, these ever growing requirements were the basis for examining our computer security program during FY 1973 to organize it along goal-oriented objectives. This reorganization of the program was implemented early in FY 1974 and will form the basis for a valid evaluation of its progress in the coming year.

In FY 1973 the decision of the winter of 1971 to establish
an in-house security alarm and electronic capability began
to bear fruit. For a sum roughly equivalent to the amount
being paid a private contractor to maintain the Headquarters
alarm systems, two electronic engineers and three electronic
technicians were hired on a contract basis. As a result,
security alarm installation, maintenance, and repair at
Headquarters has improved by at least a factor of two with a
very substantial fallout to the other electronic programs of
the branch. Additionally, almost one full man year of support
overseas to the Overseas Security Support and Technical
Divisions was provided by the Physical Security Division.

The Safety Staff, in accordance with established Agency
regulations, is responsible for formulating and recommending
to the Director of Security policies and practices for an
effective safety program. The program must be conducted in
accordance with the Occupational Safety and Health Act of
1970 and Executive Order 11612, which defined the expected
participation of each Federal agency. In an attempt to conduct
an effective Agency Safety Program, certain of the activities
were placed into subprograms. This was done to effect better
management and to analyze the shortcomings and successes of
the overall program. One of the greatest problems is the
demand placed by other components to service them on a daily
basis. Although such demands are met, the other subprograms
are seriously affected.

The Investigations and Operational Support Directorate
(IOS) assists with the preparation and execution of the Agency
security program insofar as it relates to the fields of
Investigation and _____ support of Agency covert
operations. It is directly responsible for planning and
implementing the investigations and operational support pro-
grams through the administration and direction of the Office

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The objectives for IOS, that is, to maintain a viable
investigative capability to support the Personnel Security
Program (under EO 10450 and DCID 1/14); to support the
Clandestine Service (under _____ and to fully sustain a
program of operational support encompassing all major Agency
elements, continued to be maintained during FY 1973 with fewer
available personnel without decreasing the quality of the product.

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Problem areas continue to confront the investigator in the field on a daily basis. These areas are the effect of "Invasion of Privacy"; the increased resistance to release information in the educational, credit, and legal areas; and the increased difficulty of mobility within the community.

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SECTION II.   ACCOMPLISHMENTS

   a.   Objective 1 (OS)

      (1)   The Personnel Security Division will process approximately 2200 applicant cases involving field investigations and 7392 cases involving name checks only.

      (2)   Action Plan

         Process approximately 550 field and 1850 name check cases by 30 September 1972, 31 December 1972, 30 March 1973, and 30 June 1973.

      (3)   Progress and Shortfall

         Full accomplishment was achieved despite the fact that there was a 14.4% increase over FY 1972 in the number of cases security disapproved.

      (4)   Problems

         Processing of security disapproval cases involves comprehensive summary write-ups and evaluation memoranda. The greater the number of disapprovals, the more appraisal workload time is required.

      (5)   Future Plans

         Under the reorganization, applicant type cases will continue to be processed. However, the investigative/ appraisal functions will be consolidated, thus eliminating duplication.

      (6)   Costs

         51.1 man years or $1,018,700.

   b.   Objective 2 (OS)

      (1)   Service requests for 1900 polygraph examinations originating in Office of Personnel and other overt sources.

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(2) Action Plan

Conduct approximately 475 examinations by
30 September 1972, 31 December 1972, 30 March 1973, and 30
June 1973.

(3) Progress and Shortfall

Our goals in the Interrogation Division are
primarily to improve the quality of our polygraph interrogation
performance to the complete satisfaction of the consumer. We
evaluate our results by the success of our finished product.
An interrogation is a success when significant information is
obtained that was previously unobtainable by other investigatory
methods or when an evaluation is made that a polygraph subject
has no meaningful information to contribute and has been truth-
ful during interrogation.

During FY 1973 a total of 1944 polygraph
examinations were conducted on cases originating in the Office
of Personnel and other overt sources. From this total, 745
reports were produced containing significant information.

(4) Problems

A reduction of the number of available examiners
towards the latter half of FY 1973 was experienced as a result
of the unexpected retirement of senior personnel and the
surplusing of three examiners. This reduction necessitated
a rearrangement of priorities, particularly in our servicing
During FY 1973 one new man was
recruited and trained, a process which involved the full time
of our Training and Research Officer for a period of two months.
The new trainee is still in an apprentice status after six
months. The Division cannot replace retired or surplused
personnel by recruitment of new men without allowing for a
loss of manpower for a period of three to six months while
training and monitoring of the new man proceeds. Further
reductions in manpower at this time would seriously impair our
ability to service domestic requests on a timely basis.

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(5) Future Plans

Continue to provide polygraph support in response
to requests from the Office of Personnel and other overt sources
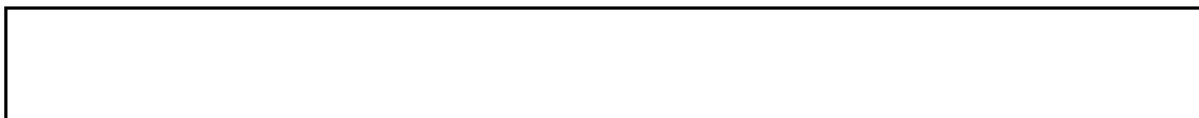on a timely basis.

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(6)   Costs

8 man years or $159,483.

c.   Objective 3 (OS)

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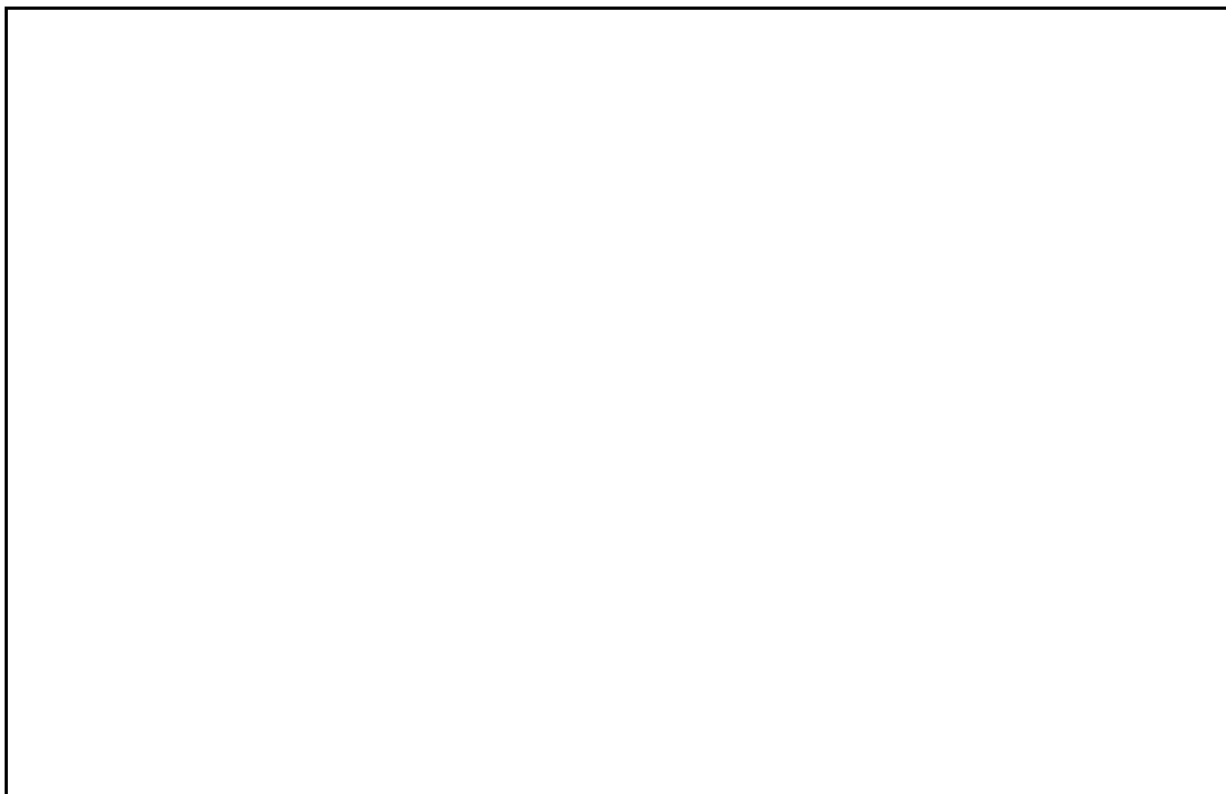
(2)   Action Plan

Conduct approximately 85 examinations by 30
September 1972, 31 December 1972, 30 March 1973, and 30 June
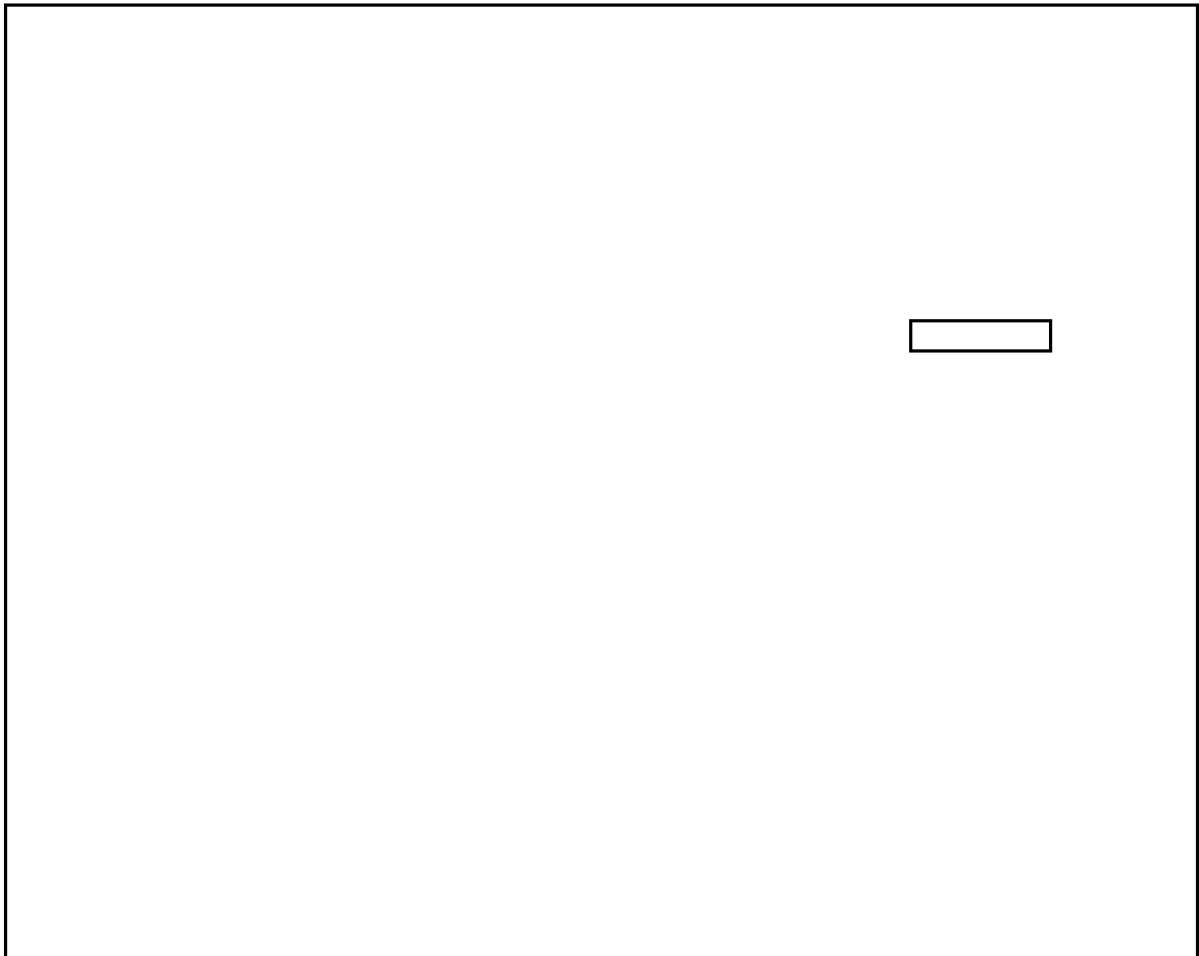1973.

(3)   Progress and Shortfall

During FY 1973 progress towards our goal in
conducting an estimated 350 cases was considerably exceeded
as reflected in the statistical summary below:

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d. Objective 4 (OS)

(1) Conduct research towards improvement of the
polygraph technique and instrumentation.

(2) Action Plan

Assist ORD/DD/S&T in polygraph related research
and bring to ORD attention areas of potential research. Evaluate
developments and studies in lie detection by other government
agencies, private and foreign organizations.

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(4) Problems

Contained in paragraph 3 above.

(5) Future Plans

Contained in paragraph 3 above.

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(6) Costs

During FY 1973 our research related costs came to approximately $3,000. This included three trips to California for two men plus mileage for Research Officer activities in the greater Washington, D.C., area. Total manpower involved would approximate one man year.

e. Objective 5 (OS)

(1) By utilizing and reorganizing existing manpower and funding levels, complete by 31 March 1974, the process of replacing existing manual controls and reporting activities associated with case processing procedures in the Office of Security with a fully operational automated CAPER-OS System.

(2) Action Plan

9 July 1973 - Conduct one week course for Cathode Ray Tube (CRT) terminal operators.

13 July 1973 - Distribute Procedure Handbooks for processing points.

16 July 1973 - Install terminal equipment and furniture.

18 July 1973 - Brief and train professional and supporting clerical personnel.

30 July 1973 - Train terminal equipment operators.

6 August 1973 - Test CAPER-OS System (with test data).

7 September 1973 - Implement Stage I - the parallel operation of manual and automated case processing systems for all overt and overt miscellaneous type security clearance actions.

(3) Progress and Shortfall

The Action Plan for Objective 5 was amended after the Director of Security was advised by the Director, SIPS Task Force on 27 March 1973 that the implementation date

for Stage 1 of CAPER-OS had to be delayed from 18 June to 7 September 1973 due to technical problems. The first chronological benchmark was moved back from 16 April 1973 to 9 July 1973 as a result.

(4) Problems

A further delay in implementing the Action Plan will occur because of the reorganization of the Office of Security. Under this reorganization, disparate functions are to be consolidated in a way that will necessitate modifications in the CAPER-OS program.

(5) Future Plans

These are dependent on a new look at the program after the reorganization.

(6) Costs

$0

f. Objective 6 (OS)

(1) By utilizing and reorganizing existing manpower and funding levels, achieve a net zero growth by 30 June 1975 in the Office of Security holdings at the Agency's Records Center.

(2) Action Plan

Purchase a microfiche camera and equipment during November 1972. Process approximately 4500 files by 30 June 1973.

(3) Progress and Shortfall

Progress was made during the period in terms of milestones passed and action completed. Substantial progress in the future is expected as additional personnel are trained and assigned to this program. By the end of 30 June 1975, it is expected that we will be processing at the rate of 20,000 cases per year. This will mean a net zero growth by the Office of Security at the Agency's Records Center.

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(4) Problems

During the initial period, the microfiche program was hampered not only by a lack of personnel but by the necessity of assigning untrained personnel to the program, thus requiring an extensive period of on-the-job training.

(5) Future Plans

With the purchase of a second microfiche camera during FY 1975, the Office of Security will reduce its holdings at the Records Center at a rate of approximately 20,000 files per year.

(6) Costs

Three man years, plus $24,690 for microfiche camera and equipment.

g. Objective 7 (OS)

(1) To better utilize the 6050 square feet of space dedicated to open file shelving by replacing fifteen double-faced ranges occupying an area of 2213 square feet of this space with mobile shelving, realizing an increase in file storage capacity of 94% in this area.

(2) Action Plan

A request for funds to procure mobile shelving was made in the FY 1973-1977 Program Call submission, and the availability of such funding in the FY 1973 budget was certified on 3 October 1972. An approval to purchase the mobile shelving was granted on 27 October 1972 by the Chief, Support Services Staff, Support Directorate. A "Requisition for Material and/or Services" was issued on 20 November 1972 to eight corporations manufacturing and installing automated shelving. Bids were submitted by six of these vendors. A bid was selected 9 March 1973 and the resulting contract called for delivery and installation of the mobile shelving to be completed by 8 August 1973.

(3) Progress and Shortfall

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The bid of the [   ] was accepted 9 March 1973 because their

equipment would more than double the linear feet of available
shelving, an increase of 102% from 4320 linear feet to 8736
linear feet and 4% more than required in the Agency's criteria
on which the bid was based. Moreover, the [   ] 25X1
made an allowance of $3,202 for existing shelving for a net
cost of $52,720 for the mobile shelving. An amendment to the
contract was made to include an additional $8,736 for lighting.
Since funds in the amount of $72,000 had been earmarked in the
FY 1973 Budget for the mobile shelving, an amount of $10,544
was made available for other purposes as a result of the contract
25X1   with the [   ] It is anticipated that the mobile
shelving will be installed and in operation by 20 August 1973.

    (4)   Problems

       None

    (5)   Future Plans

       Complete installation by 1 September 1973.

    (6)   Costs

       $61,456

   h.   Objective 8 (OS)

    (1)   Maintain a program of comprehensive security
surveys of all overseas stations and bases with a visitation
rate at each facility of not less than once every twenty-four
months.

    (2)   Action Plan

       Complete fourteen surveys by 30 September 1972,
31 December 1972, 30 March 1973, and 30 June 1973; a total of
fifty-six surveys during FY 1973.

    (3)   Progress and Shortfall

       The goal of the objective was exceeded by three.
A total of fifty-nine security surveys were completed during
the year.

(4) Problems

None

(5) Future Plans

To survey each overseas installation approximately every eighteen months with no appreciable increase in staffing, but rather by developing a new system of conducting surveys and preparing the reports.

(6) Costs

6.5 man years (survey and report writing), $32,000 (travel costs only).

i. Objective 9 (OS)

(1) To maintain, repair, and install security equipment and devices as required at overseas stations and bases.

(2) Action Plan

Visit a total of _____ stations and bases during FY 1973; approximately _____ per quarter.   25X1

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(3) Progress and Shortfall

The goal of this objective was met in that _____ installations were visited. 491 safes were inspected for evidence of surreptitious entry and provided preventive maintenance; sixty-one vault doors were inspected; twenty-five new alarms were installed; twenty-four existing alarm systems were serviced; _____ _____ were installed; six safe cabinet lockouts were serviced; and inspections of forty-seven miscellaneous devices - key locks, etc., were completed.   25X1

(4) Problems

None

(5) Future Plans

To initiate a program to serialize each individual piece of safekeeping storage equipment in use at overseas

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installations to ensure more adequate control of its use, maintenance, repair, and final disposition.

(6) Costs

4.70 man years; $25,000 (exclusive of travel funds expended by DDO Divisions for which emergency service was provided).

j. Objective 10 (OS)

(1) Develop suitable courses and provide training in appropriate aspects of overseas security for new survey officers, support officers, and selected DDO personnel destined for overseas assignments.

(2) Action Plan

Combine classroom training and security survey work with on-the-job training for new survey officers by 30 June 1973. Expand participation in Agency training courses attended by support officers.

(3) Progress and Shortfall

A one-week Security Survey Course was conducted in the spring of 1973 for twelve security officers being assigned overseas or assigned to OSSD. One new survey officer accompanied a senior survey officer on a trip where the new officer was trained on three successive station surveys. A senior survey officer was made available to lecture students at the Field Administration Course conducted for support officers destined for overseas assignments.

(4) Problems

The on-the-job training technique is excellent and a most productive system, but is quite time consuming.

(5) Future Plans

Expand the Security Survey Course to two weeks and, time permitting, run the course twice annually. Provide the three new security officers to be assigned to OSSD on-the-job training under the direction of a senior survey officer.

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(6) Costs

.10 man years; $1,813 (this figure is already included in the cost figure for surveys noted under Objective 8).

k. Objective 11 (OS)

(1) Expand the use of presently available non-polluting devices for routine destruction of classified materials and encourage further efforts to develop additional such devices.

(2) Action Plan

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(5) Future Plans

Ensure that every effort is made during surveys to educate personnel overseas to the advantages of nonpolluting devices for the destruction of classified material both routinely and under emergency conditions.

(6) Costs

.05 man years.

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y. Objective 25 (DD/M&S)

(1) To brief the Agency personnel assigned to over-
seas on the Hostile Audio Surveillance Threat, as well as
provide briefings to personnel in Mid-Career Courses and
others as requested.

(2) Action Plan

To provide weekly briefings to Agency personnel
assigned to overseas stations and bases. To provide other
briefings as requested.

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(3)   Progress and Shortfall

Fully accomplished.   During the FY 1973 period, briefings on the HAS threat were furnished to 3650 personnel in 149 briefings given on a weekly basis and eleven briefings were afforded 345 personnel from other agencies.

(4)   Problems

Minimal problems were encountered in the conduct of this program during the year. However, on certain occasions it was necessary to give special briefings due to the time frame limitations of the availability of the persons to be briefed.
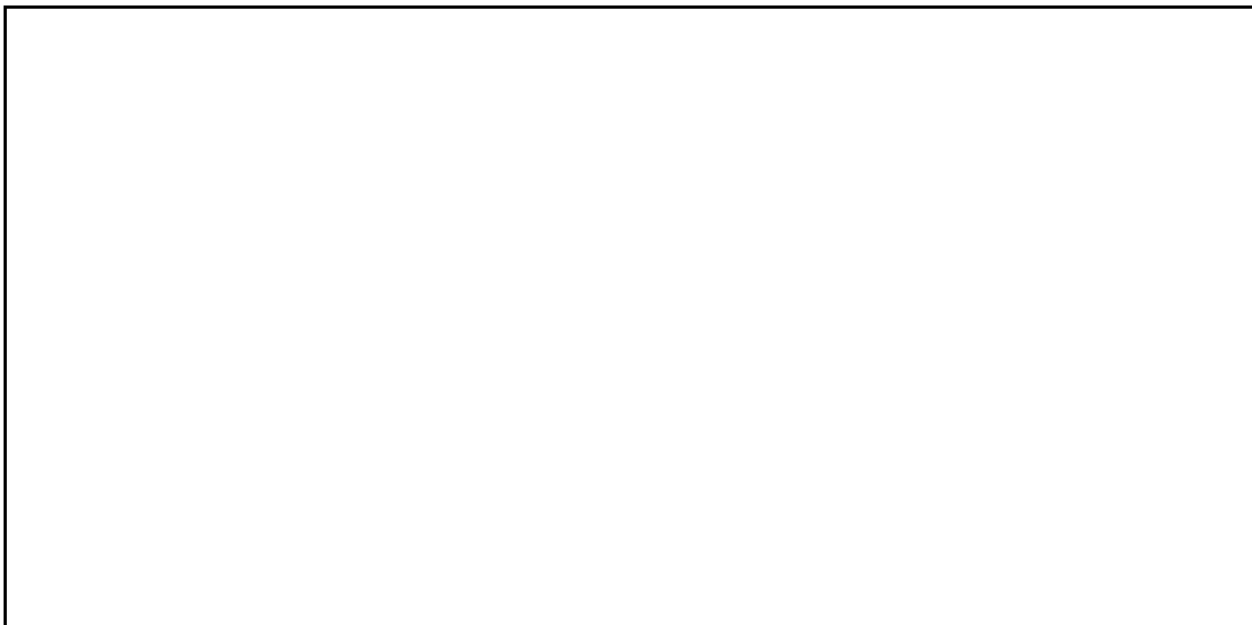
(5)   Future Plans

In FY 1974 this effort will be continued to assure a proper understanding to the potential threat.

(6)   Costs

The Briefing Program expended a total of two man years and $9,000 in the accomplishment of the objective.

z.   Objective 26 (DD/M&S)

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aa.   Objective 27 (DCI)

(1)   Enhance the effectiveness of the information
handling security program by improving program management and
specifically by conducting a review of Agency and Community
requirements in the computer security area and designing a
goal-oriented program to meet these requirements with minimal
increase in resource allocation.

(2)   Action Plan

This objective encompasses the program elements
of program development, activity reporting, program review
and evaluation, and personnel administration and training.
During the second half of FY 1973, a study of computer security
support requirements for the Agency and the Intelligence
Community was planned as a basis for organizing the Infor-
mation Handling Security Program along goal-oriented lines and

to adjust resource allocation and organizational positioning
to better meet these requirements.

(3) Progress and Shortfall

As planned, a thorough review of information
handling security requirements was completed in the third
quarter of FY 1973. During the fourth quarter a reorganization
of manpower allocations to the program was developed which was
implemented early in FY 1974 as part of the Office of Security
reorganization. The results of the reorganization included
the assignment of two additional positions to the program,
raising the activity from branch level to division level
component of the Office. Further, as reflected in this report,
program activities were organized under seven program categories,
each with a defined objective, action plan, and milestones.
It was recognized that the increase of only two positions in
program resource allocation was somewhat less than what the
priority of program goals might support; however, the current
era of decrementation and "tight" programming dictated such an
approach.

(4) Problems

None

(5) Future Plans

The action plan for the program developed early
in the third quarter of FY 1973 has required subsequent
modification due to the limitation on manpower and dollar
resources for the program identified later in the programming
cycle. A revised action plan detailing the projected activities
within the program has recently been completed; this revised
plan particularly limits earlier hopes of testing and evaluating
the security of all major Agency computer systems by FY 1975.
As an alternative, testing and evaluation efforts will be
highly selective and accent the highest priorities.

(6) Costs

During FY 1973, .75 man year was expended on
this program objective.

bb. Objective 28 (DCI)

(1) Develop Agency security policy and standards referent to computer processing and storage of official data.

(2) Action Plan

Accomplishment of this objective is a continuing activity of developing in timely fashion policy and standards for the Agency to insure the protection of official data involved in computer operations. It encompasses not only the development of new policy but also periodic review of established policy and standards to assess their continuing effectiveness. During FY 1973 promulgation of a Headquarters Notice concerning the classification of computer output material was planned. Further, Agency policy concerning the sanitization of computer storage media, security standards for remote terminal installations, and a revised Headquarters Regulation [ ] concerning accountability for classified material were programmed for initial development. Finally, development of Data Distribution Security Standards for buildings other than Headquarters was expected.

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(3) Progress and Shortfall

As programmed, HN [ ] was developed and promulgated establishing Agency policy for the classification of computer output material. Preliminary drafts of proposed security policy on the sanitization of computer storage media and the installation of remote terminals have been prepared. An initial draft of a revised HR [ ] has been written. Development of Data Distribution Standards for other than Headquarters building has not been accomplished and is now programmed for FY 1974.

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(4) Problems

In the past, difficulty has been encountered in coordinating security policy in the information handling field, in large measure due to the compromise approach to policy development in the Agency. Establishment of the Management and Services Directorate in the last half of FY 1973 has suggested that policy development activities will take a more positive approach, and promulgation of regulatory issuances in the future are expected to be facilitated.

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(5) Future Plans

In addition to completing development of policy
items already mentioned, during FY 1974 the initial preparation
of a Headquarters Handbook on computer security is programmed.
Further, during FY 1974 a review of Headquarters Data Distri-
bution Security Standards is expected.

(6) Costs

During FY 1973 an estimated .5 man year was
expended on computer security policy development.

cc. Objective 29 (DCI)

(1) Provide guidance and support to Agency compo-
nents and contractors to ensure protection of official data
stored and processed by computers.

(2) Action Plan

The action plan related to the objective
encompasses both continuing and discrete activities. On a
continuing basis guidance and support is rendered to all
Agency components involved in computer operations; this
support includes not only Headquarters components but contractor
sites whose security is under the cognizance of staffs in the
Office of Logistics and the DD/S&T. Also on a continuing
basis, the functions of Information Systems Security Officer
with reference to DCID No. 1/16 and Distribution Systems
Security Officer under the provisions of the Headquarters Data
Grid Standards are performed as part of the information
handling security program. Further, computer security briefings
and training sessions are provided to Agency personnel and
components on a regular basis as part of OJCS training courses
and on a periodic basis on special requests.

Discrete projects which are encompassed under
this objective included security support to the development
of the OJCS Mass Storage System, the OC Cable Dissemination
System, the plans to network Headquarters computers, and the
development and operation of security audit systems.

Although most program elements falling under
this objective call for continuous, periodic or aperiodic
support, a limited number of activities were specifically

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planned for FY 1973. Among these discrete activities was
a study to identify according to vulnerability priority
deficiencies in Headquarters data distribution lines installed
prior to the Grid System, the development of a design for a
security audit system for the OJCS Interactive System,
participation in an Agency-wide effort to identify future
computer terminal requirements and associated problems, and
security support to the development of the Mass Storage System.

(3) Progress and Shortfall

Performance in the guidance and support area
during FY 1973 met or exceeded expectations. Not only was
security support rendered to Agency components and contractors,
but the Information Handling Security Program was able to
provide special support to OJCS in furnishing full-time back
up for the second half of the Fiscal Year to the OJCS Security
Officer. A security Audit System was designed for the OJCS
Interactive System which is expected to be implemented early
in FY 1974. As planned, the security deficiencies in Head-
quarters data distribution lines were identified, ranked
according to priority, and provided to the Office of Communi-
cations who has already begun to correct deficiencies. In
the development of specifications for the Mass Storage System,
security participation was present from the beginning and
should serve to enhance the security of that system upon
delivery in FY 1974 and FY 1975. This in itself was signifi-
cant in that security became a design goal in the development
of the system from the very beginning.

(4) Problems

None

(5) Future Plans

Guidance and support to Agency components and
contractors will be continuing; computer security briefings of
Agency personnel and components will continue as required;
during FY 1974 reactivation of a computer security seminar
for selected Agency employees is expected.

(6) Costs

During FY 1973 it is estimated that 1.5 man
years was expended toward this objective.

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dd. Objective 30 (DCI)

(1) Conduct inspection of Agency computer operations and analytical testing of Agency systems to evaluate the security of such systems and operations as a basis for their security certification.

(2) Action Plan

Accomplishment of this objective encompassed two distinct types of activities: inspection of Agency and contractor computer facilities and procedures; and the security analysis, testing and evaluation of computer systems and operations. The former of these two types of activities includes the security inspection of proposed terminal sites as well as the survey of computer installations and procedures. The latter testing and evaluation effort usually entails a comprehensive analysis of the security aspects of computer operations including the effectiveness of system hardware and software.

During FY 1973 the number of remote terminal inspections could not be anticipated; however, it was expected that this number would surpass such requirements in any previous year. It was planned that accomplishment of the necessary remote terminal inspections would be done for this greater number of terminal installations and at the same time ensure that inspection actions would be completed in other than unusual cases in less than twenty-one days from receipt of the inspection request. Programmed in the latter half of FY 1973 was a security survey of the ORD computer center.

Also during the first half of FY 1973, a comprehensive analysis, testing and evaluation of the OJCS Interactive System was programmed for completion. A second security analysis, testing and evaluation of an OJCS system was scheduled to be initiated in the fourth quarter of FY 1973, viz., software analysis and evaluation of the GIM-II Data Management System associated with the Support Information Processing System (SIPS).

(3) Progress and Shortfall

During FY 1973 a total of seventy-four remote terminal installations were surveyed and approved for operation;

the twenty-one day action schedule was normally met. The
planned survey of the ORD computer center was accomplished on
schedule. The analysis, test and evaluation of the OJCS
Interactive System was completed in January 1973. The expected
initiation of the GIM-II software security analysis has been
indefinitely delayed due to the lack of sufficient documen-
tation and the continuing instability of the system.

The Interactive System test represented a
significant accomplishment not only for the results received
in identifying software vulnerabilities in the system, but
also for the experience gained in developing workable
methodology for the security test and evaluation of large-
scale systems.

(4) Problems

None

(5) Future Plans

Initial security inspections of proposed remote
terminal operations will continue. During FY 1974 a program
of resurveying on an annual basis Headquarters area remote
terminal sites will be initiated. Attempts are being made to
develop procedures to conduct after-hours checks of remote
terminal sites to ensure that such terminals are properly
disconnected from their parent computer system or disabled,
such as to deny illicit attempts at remote terminal access.
If sufficient progress occurs in the stabilization of the
GIM-II system and adequate documentation is produced, the
software analysis and evaluation of the system will be re-
considered late in FY 1974. During FY 1974 and early FY 1975
a survey of NPIC computer operations and system security
analysis and testing of NPIC computer systems is planned.
Vulnerability analysis and testing of the Mass Storage System
is expected after its delivery during FY 1975. Conduct of a
software test of OJCS network operations is contemplated for
FY 1976.

(6) Costs

An estimated 1.75 man years of effort was
expended on this objective during FY 1973. In addition,
contractor support for the software testing of the OJCS

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Interactive System cost slightly over $60,000; these funds
were allocated from the FY 1972 budget and represented an
approximate $9,000 underrun. $100,000 programmed in FY 1973
for the GIM-II test was returned to the Directorate when the
test delay was identified.

ee. Objective 31 (DCI)

(1) Identify and coordinate the development of
solutions to administrative and technical problems associated
with the security of Agency information handling operations.

(2) Action Plan

It is important to distinguish this objective
from routine guidance activities falling under Objective 29,
above. The instant objective addressing problem resolution
bespeaks activities associated with generic computer security
problems, i.e., issues of Agency-wide interest. Among
program elements under this objective are the development and
implementation of a concept and standards for the security
labeling of computer stored data, the development of security
measurement units to permit the application of quantitative
methods to computer security assessment activities, the
development of methodology and techniques to detect the

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review of the remote terminal monitor concept with a view
toward its improvement or replacement by other producers was
planned. All other program elements under this objective
were programmed for FY 1974 or for only initial thinking in
FY 1973 with broader development thereafter.

(3) Progress and Shortfall

No measure of progress in this area was antici-
pated during FY 1973 except for the review of the remote
terminal monitor concept. This review was accomplished as
part of the Interactive System test, but identification of
improved options to replace this concept have not been identified.

(4) Problems

Difficulties associated with this objective are
complex and in large measure are dependent on expensive research

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and development. In addition, resolution of many of the
problems associated with computer security is inhibited by
the limited number of individuals knowledgeable in this area.
It is expected that attempts will be made to identify within
the information handling security program a focal point for
the definition and coordination of Agency computer security
R&D requirements. With the establishment of such a focal
point, requirements in this area can be defined to meet Agency
needs as a whole and levied upon the DD/S&T for fulfillment.

    (5) Future Plans

        Program elements in the problem resolution area
remain as identified above. Specific progress is envisioned
during FY 1974 in the development of a concept of labeling
computer-stored data according to its security sensitivity,
the development of a concept of security measurement units,
the improvement of terminal access control techniques, and

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significant progress is not foreseen before FY 1975.

    (6) Costs

        During FY 1973 approximately .5 man year was
expended toward this objective.

    ff. Objective 32 (DCI)

        (1) Provide leadership and support to the Intelligence
Community in addressing computer security issues of inter-
Agency concern through the USIB structure as well as assistance
to overall Government and non-Government efforts involved in
the development of technology in the computer security field.

    (2) Action Plan

        Accomplishment of this objective includes both
continuing efforts and discrete projects. The principal
program element under this objective is the direction and
staff support of the USIB Computer Security Subcommittee.
During FY 1973 within the Computer Security Subcommittee structure
the development of a computer media sanitization policy and of
an initial outline of a comprehensive Intelligence Community
computer security policy document were scheduled. In addition,

at the request of another USIB committee, the Subcommittee
was tasked to analyze the security issue involved in upgrading
the security level of the Community On-Line Intelligence
System (COINS).

Also included in our external support program
category are continuing liaison support efforts to other
Government agencies, notably the National Bureau of Standards,
the Office of the Secretary of Defense, the U.S. Communications
Security Board, and non-Government computer security efforts
of mutual concern. A major program element is Agency support
of the COINS Security Panel. In the liaison support area, a
significant project during the second half of FY 1973 was the
focusing of Intelligence Community and other Government
25X1   support of [   ] with reference to its performance of
25X1   a contract from [   ] Our support of this contract
was predicated on a declaration from the Office of Management
and Budget to assist development of technology in the computer
security field for the public domain. Our contribution was
oriented toward the development of improved techniques for
the security evaluation of computer security operations,
especially in the software field and the design of a secure
operating system. Our action plan included support of this
effort during the last half of FY 1973 and the first half
of FY 1974.

(3) Progress and Shortfall

During FY 1973 the Computer Security Subcommittee
was active in guiding the Security Committee in the computer
security area. It accomplished its review of the security
issues involved in the COINS upgrading, completed drafting a
Community policy for the sanitization of computer storage media,
and developed an outline for a comprehensive Community computer
security policy document. These accomplishments occurred
generally on schedule. Liaison support was highlighted by
informal coordination with DoD on the latter's development of
a DoD computer security policy, performance as programmed in
support of [   ], and participation and assistance to
the National Bureau of Standards in the latter's Government-
wide intention of establishing a coordinated effort outside the
Intelligence Community directed at computer security problems
of national concern. The most significant shortfall in this
area concerned the upgrading of the COINS Security Level, in
that the decision to upgrade COINS was summarily made by the

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Deputy to the Director for the Intelligence Community without
the benefit of the Computer Security Subcommittee's assessment
of the security issue involved.

(4) Problems

The shortfall identified above referent to the
COINS upgrading issue may be symptomatic of a broader void in
our support of Community computer security problems. No action
has been taken to overcome this problem pending resolution of
the revision of the USIB/IC Staff structure and relationship
issue. In the long run, however, an established procedure
must be implemented to ensure timely computer security guidance
in the Intelligence Community Staff decisions.

(5) Future Plans

Support of the [   ] effort will continue   25X1
through the second quarter of FY 1974; further continuation
of this project and our support thereto will be evaluated at
mid FY 1974. Development of the Intelligence Community computer
security policy document will proceed through at least the
first half of FY 1974 and in view of the complex nature of this
policy paper, its coordination within the Community may well
extend through the fiscal year. Support of the COINS Security
Panel will be continuing for the foreseeable future as well
as liaison support to other Government organizations and
agencies. Involvement in the coordination of the computer
security annex of the National Communications Security Plan
is anticipated in FY 1974.

(6) Costs

An estimated one man year of effort was expended
toward this objective in FY 1973.

gg. Objective 33 (DCI)

(1) Establish an improved, less cumbersome system
of control over Agency Top Secret material.

(2) Action Plan

Pursuant to the decision of the Executive
Director-Comptroller, the Agency Top Secret control function
was programmed for transfer from the Central Reference Service

to the Office of Security in March 1973. In the earlier part of the third quarter of FY 1973, security personnel were projected for assignment to study and learn existing procedures of the Agency Top Secret control operation. For the balance of FY 1973, subsequent to the Office of Security take over of this function, maintenance of the existing system was planned while a review of the system was to be accomplished with a view toward improving any deficiencies, making the system less cumbersome, and beginning the development of an upgraded Top Secret control program plan which might include an automated control system for Top Secret material.

(3) Progress and Shortfall

Two individuals from the Office of Security began early in the third quarter of FY 1973 on-site in the Central Reference Service learning the mechanics of the existing Top Secret control program. On schedule in March 1973, the Office of Security assumed the function. Shortly thereafter basic goals of an improved, less cumbersome control system were outlined and during the final quarter of FY 1973 this outline was developed in more detail. As indicated above under Objective 27, a revised Headquarters Regulation [   ] 25X1 has been drafted. A survey of component level control programs has been made with a view toward designing the requirements for an Agency-wide automated control system. Progress toward this objective has been completely according to plan.

(4) Problems

While no problems have been encountered to date in this area, it is anticipated that some obstacles will appear during FY 1974, especially with regard to the elimination of established control procedures that are too cumbersome for some Agency components and considered vital in other areas. No specific measures to overcome these obstacles are being considered since in most cases they involve a reorientation of traditional thinking based on years of habit.

(5) Future Plans

Maintenance of the existing Top Secret control program is foreseen through the third quarter of FY 1974, during which time the upgraded, streamlined program will be developed, coordinated, and approved. Full implementation of this upgraded program after a period of parallel operation is envisioned on 1 April 1974.

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(6) Costs

In FY 1973 an estimated .75 man year was expended toward this objective.

hh. Objective 34 (OS)

(1) To ensure that CIA has a cadre of trained personnel to handle installation, repair, and maintenance of physical security devices overseas by providing training to selected overseas designees.

(2) Action Plan

Provide two, two-week courses of in-depth training to members of the Office of Security being processed for PCS overseas assignment and to other Security Office personnel requiring highly specialized training in physical security devices.

Provide a limited physical security training program to representatives of other Agency components including the Office of Communications and military assignees as requested. This training is offered to provide the individuals with the capability of recognizing the differences between various security equipment and provides them with the capability to effect minor repairs, maintenance, and combination changes.

Provide a familiarization program for Finance Officers, Admin Officers, and Logistics Officers who are being sent overseas and who will be required to change combinations and to assist in solving other Station physical security problems.

Provide specialized training and briefing programs to representatives of other U.S. governmental agencies as requested.

(3) Progress and Shortfall

During FY 1973 twenty Security Officers were afforded two weeks of training in two separate sessions; in addition, all other training requests were met which included thirty representatives of other Agency components who were

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provided with a three-day training course; ninety-seven members of Office of Logistics, Admin Officers, and Finance Officers were afforded a one-day training/briefing program; and thirteen personnel representing other government agencies were afforded in-depth training.
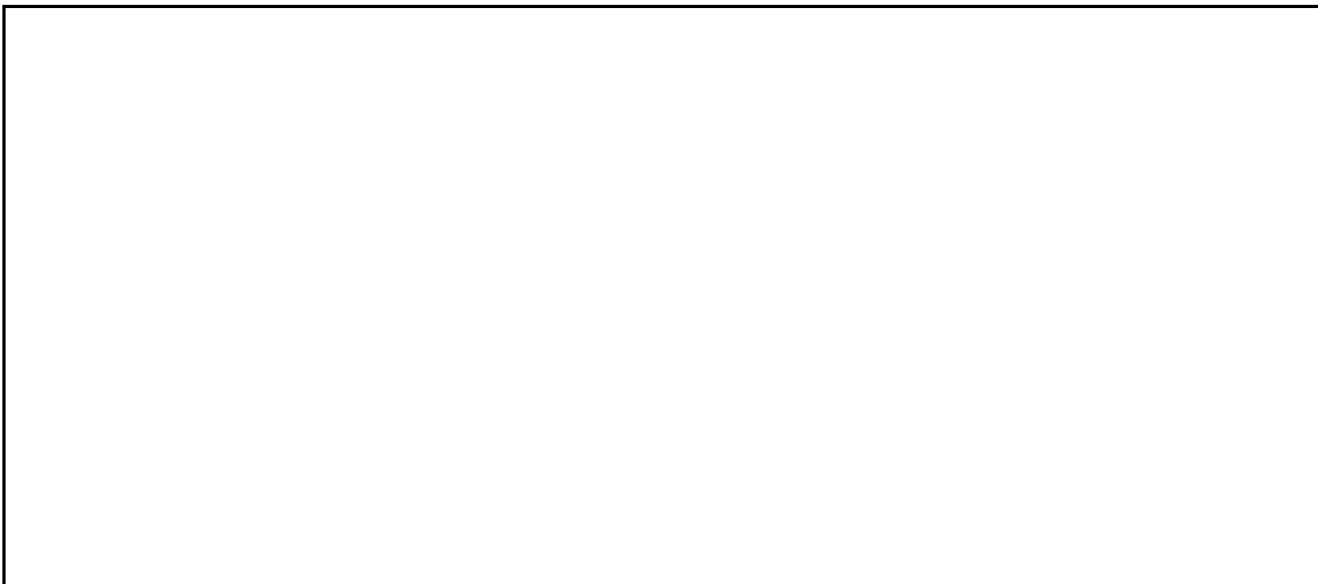
    (4) Problems

    None

    (5) Future Plans

    In regard to training, future plans include but are not limited to an increasing effort to improve the standard and quality of training through the procurement of sophisticated training aids, a continuing supply of new training material, and the adoption and adherence to planned and programmed training schedules.

    (6) Costs

    Dollar costs for FY 1973 for equipment procurement, training aid and fabrication and procurement were $15,500. One man year.

25X1

ii. Objective 35 (OS)

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(4) Problems

None

(5) Future Plans

To continue to provide the same quality service.

(6) Costs

Twelve man years.

oo. Objective 41 (DCI)

(1) Provide overt and covert clearance and investi-
gative support on a greater productivity level without a
decrease in quality during FY 1973 than was provided in
FY 1972.

(2) Action Plan

To complete a study by 30 September 1972 to
determine ways to streamline investigative techniques and
procedures; complete 50% of the FY 1973 caseload by 31 December
1972; and implement fully the recommendation of the study and
complete another 50% of the FY 1972 caseload by 30 June 1973.

(3) Progress and Shortfall

A full accomplishment of this objective was
achieved. During FY 1973, IOS completed a total of 33,374
cases of which 14,767 or 44% required field investigation.
These figures compare with a total of 31,515 cases completed
during FY 1972 of which 12,449 cases or 39% involved field
investigations.

Also during FY 1973, IOS expended 94,359 man
hours of operational support (equivalent to thirty-nine man
years). This compares to 118,080 man hours of support for
FY 1972 (equivalent to forty-nine man years).
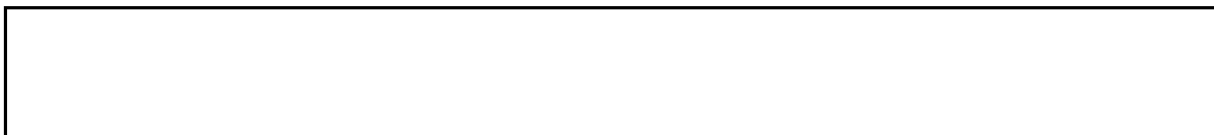
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The following illustrates the progress in terms
of milestones:

FY 1973

30 September 1972:
Completed study to streamline investigative techniques
and procedures.

31 December 1972:
Completed 14,687 cases, including 6551 cases
involving field investigation.

30 June 1973:
Completed an additional 18,657 cases, including 8216
cases involving field investigation.

As a result of the study to streamline investi-
gative techniques and procedures, the following was accomplished:

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5. The only activity carried out under our information handling security program but not subsumed under a listed objective relates to the coordination of Office of Security plans and requirements for the application of ADP technology to Office operations. In short, this activity relates to the function of Information Processing Coordination within the Office of Security. It includes coordinating support on the part of the Office for the MAP project and providing Office of Security input on matters and issues coordinated through the Agency Information Processing Coordinator structure. Activities carried out in this area during FY 1973 were of a routine nature and no problems of great dimension were encountered. The most significant item among these activities was the discussions in the final quarter of FY 1973 with reference to the DDO proposal to integrate the Security Index (SANCA) into the DDO _____ System; this proposal was rejected after study by the Director of Security on the basis that current social pressures and the sensitivity of SANCA data supported its continued maintenance as an independent system. An estimated .25 man year during FY 1973 was involved in this coordination function.

6. To render safety support to all Headquarters and Field facilities on a daily basis and to participate in other activities required by law through reviewing plans and specifications for new construction and alterations; attendance at meetings of the Federal Safety and Fire Councils; reviewing shipping guides for hazardous materials; reviewing employee suggestions; conducting special tests for toxic vapors, noise levels, and illumination; briefing various components on the requirements of the Occupational Safety and Health Act; distributing safety literature; and responding to any problems relating to safety all without any increase in manpower. Dollar cost was $2,875 and man years expended were 3.77.

7. To maintain and repair safekeeping equipment located in the Headquarters area with no increase in manpower. 3.75 man years and $12,062 were expended.

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8. To provide security escorts to contractors and other workmen in Agency buildings in the Headquarters area to ensure the security of our operations and prevent the loss or compromise of classified material. [   ] Program) 3/4 staff man year, twelve full-time, and thirty-nine part-time Contract Employees were utilized at a salary cost of $159,107.

25X1

9. To manufacture, issue, and control all Agency badges and to issue and control all other forms of Agency credentials and identification. (3.5 man years and $12,035 were expended.)

10. The Receptionist Section is responsible for the processing of visitors to Agency buildings. Individual receptionists are posted at selected building entrances where they register, identify, and badge visitors as appropriate. Last year they handled 58,961 general visitors, 947 foreign nationals, and 5299 applicants. They processed 17,794 forgotten badges, 7287 conference badges, and accepted 21,001 deliveries. In addition, the Section manned the collateral clerk's office which processed 2229 traffic tickets. Sixteen man years were expended.

11. The Federal Protective Officers who serve as the guards for Agency buildings and grounds are employees of the General Services Administration. They are supervised by their own officers and noncommissioned officers but are responsible to the Director of Security in security matters relating to the protection of Agency assets. Within the Office of Security, the Building Security Branch is responsible for the interface between the FPO's and the Director of Security. .2 of a man year of a staff employee. (Dollar cost of the yearly reimbursement to GSA based on hours worked in FY 1973 - $3,670,000.)

12. The OS Special Security Center, in accordance with its charter, continued throughout FY 1973 providing various policy and support services to both the CIA and the overall U.S. intelligence community related to the security of compartmented intelligence materials. Of special significance was the Center's increased emphasis on working with Federal civil departments and agencies due to the expanding use of compartmented intelligence materials by such departments and agencies. This matter is expected to require continuing close attention throughout FY 1974 to ensure protection of the sensitive intelligence sources and methods involved. Other significant services included: 1) security to [   ]
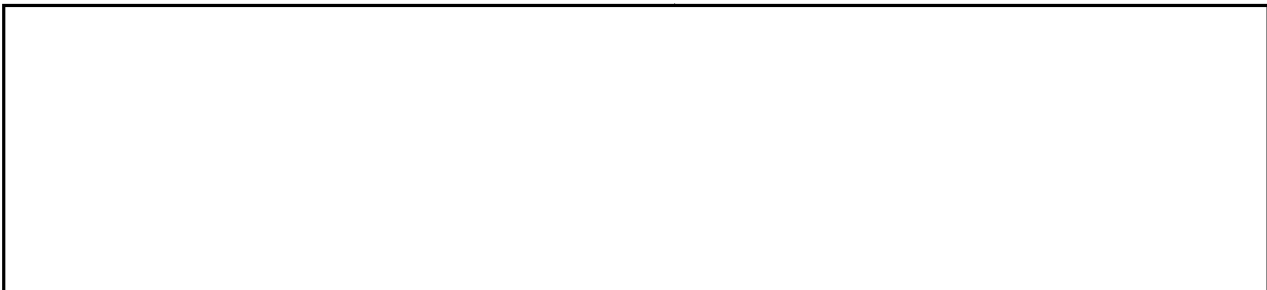
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13. Significant accomplishments and activities of the
Operational Support Division are set forth herein:

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b. Port of Entry and Airline Inspection Procedures

The Division received seventy requests for assistance
through U.S. entry procedures and domestic airline procedures.
The assistance was provided Agency employees escorting
sensitive equipment and foreign intelligence officials and
trainees of interest to the Agency. The increase over the
previous year from thirty-nine to seventy is credited to the
need to assist individuals on domestic and foreign departure
and arrival flights, because of the use of anti-hijacking
magnetometer devices by the U.S. air carriers.

25X1

c. Cover Support

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25X1

d. Escort Support

During the Fiscal Year, escort support was requested and provided on a routine or special basis on ninety-seven different occasions. The support was concerned with the movement of classified material, funds and negotiable instruments for a variety of Agency components including the Office of Security Special Security Center [   ] materials), Office of Medical Services, Office of Finance, Central Cover Staff, Central Reference Service, and the Domestic Contact Service.

25X1

e. VIP Tour and Support

On seven occasions during the Fiscal Year 1973, support was provided components of the Agency in the form of

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f. Surveillance Training Support

g. Support to the DCI and the DDCI

During the year, the Division received thirty-two assignments for support to the DCI and the DDCI. The assignments consisted of a variety of activities in support of domestic and foreign travel, social functions, and official functions.

25X1

14. The Administration and Training Staff provided fiscal, personnel, logistical, and training support to the Office of Security during FY 1973. Man years 22.8; total costs $429,698.

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